

Investor Closures Financial LLC
Mid-Year Statement of Condition

	2004	2003
Real Estate Property (FMV)	5,128,000	3,660,000
Intellectual Property	1,496,800	34,927
Cash and Investments	900,944	257,915
Equipment	126,587	59,051
Total Resources	7,652,331	4,011,893
Liabilities	2004	2003
Investor Principal	5,339,177	2,135,367
Accrued Interest	149,328	154,745
Loans and Leases	30,000	20,000
Other Liabilities	14,292	
Total Liabilities	5,532,797	2,310,112
Equity	2004	2003
Total Equity	2,119,534	1,701,781
Liabilities and Equities	7,652,331	4,011,893



Founders

Francis "Frank" Sanchez - CEO
Jim D. Bourassa - President

IFC Staff

Maria Erazo - Office Manager
Dan Fitzgerald - Project Coordinator
Kiirsten Motsinger - Systems Administrator
Tom Rodriguez - Staff Accountant
Richard Sanchez - Home Sales
Scott Slagle - Business Development
Scott Wessel - Vice President
Mark Wilk - Project Supervisor

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EXHIBIT J



**Statement
of Financial
Condition**



**Real Estate.
Real Time.
Real Easy!™**



IFC Financial (IFCF) has set the stage for another successful year in 2004. Our property ROI track record was 52% (average) and our property portfolio averages 20 projects valued at several million dollars. This year we plan to recover from our start-up losses and operate on a profitable basis. This will be quite an accomplishment for a relatively new company, and this growth in assets and profitability will be achieved while aggressively increasing our market share with our franchise offering. With no shortage of competition for real estate investor funds, we continue to grow by providing competitive returns, more flexible terms, and of course the added security of real estate backed securities coupled with the InvestorDisclosureSystem™. Our historical return to investors averages 19.6%. It's a fact: real estate historically beats the stock market every time.

Officially founded on January 1, 2000, IFCF has survived many negative impacts to investor confidence in the last 4 ½ years: the Y2K hysteria, dot-bombs, Fortune 500 corporate scandals, 911, global economic downturn, Gulf War II and the real estate bubble. Why? Because the fundamentals of IFCF are simple: buying distressed properties at a deep discount, performing necessary cosmetic repairs, and selling them at a profit. It just makes sense, is a sustainable model, and continues to work in good times and bad. With the refining of our InvestorDisclosureSystem™, Phoenix Rehab System™, and InvestorTainment®, IFCF is launching national franchising. This move will practically guarantee our survival as a player in the distressed real estate market. Projected to start in July 2004, our franchise expansion exemplifies our commitment in this market. Along with franchising, we will begin the legal and logistical framework for licensing our intellectual property and preparing for our Initial Public Offering (IPO). Nothing can stop us.

The prospects for IFCF could not look better. We have received the BBB "Complaint Free" award with no complaints since the foundation of the Company. We have been reported debt free with an excellent credit rating by Dun & Bradstreet. IFCF has been featured on MSNBC with Terry Bradshaw's "Pick of the Week", World Business Review with General Alexander M. Haig, Secretary of State for Ronald Reagan, Inman News, Lender's Technologies, Crain's Chicago Business and Appraiser's Café. Investors continue to receive our up to the second real-time financial and business reports in the Member Only area of

our website. We are beginning a Better, Cheaper, Faster program to help short-cycle the acquisition, rehab, and marketing of our properties.

Enhancements to our technology include acquiring wireless webcams for broadcasting InvestorTainment® anytime and anywhere. We have relocated and upgraded our national headquarters office with high speed Internet and wireless networking. We have significantly improved our Internet presence with upgraded layouts, graphics, and information on all projects. We have our own website and email server, which will give us greater speed, complete privacy, 100% uptime, and unlimited bandwidth. We have added a staff accountant, who will utilize updated project management software to better control costs and maximize profitability. Outstanding customer service is our greatest asset, and in a recent survey with the questions "Would you invest again?" and "Would you recommend our investment to others?" over 85% of our members responded "More than Likely" or "Extremely Likely".

As the founders of IFC Financial, President Jim Bourassa and I have over 50 years of business experience. But, it is very important to remember that our entire team of employees, investors, and suppliers are what propelled us from an idea into a dynamic, national organization. We believe that the foundation of our success is hard work, continuous improvement, and a dedication to God, our families, and our great country. We believe in the Win - Win - Win nature of our business: with our system the distressed homeowner has a chance at a fresh start, the community gets a face-lift as we rehab properties that have become an eye-sore, the new owners get affordable housing, and our investors receive a fair return for their money while watching their money being worked LIVE on the Web. We consider you our friends and family, and thank you for helping to make IFC Financial a great company and a part of the American Dream to those who join us.

IFC Financial Founders,

Francis "Frank" Sanchez, CEO

Jim D. Bourassa, President